

**UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK**

JOSEPH S. GELMIS, Individually and On Behalf Of All Others Similarly Situated,

Plaintiff,

vs.

EARL W. COLE, III, MICHAEL L. FALCONE, WILLIAM S. HARRISON, MARK K. JOSEPH, MELANIE M. LUNDQUIST, GARY A. MENTESANA, ROBERT J. BANKS, CHARLES C. BAUM, RICHARD O. BERNDT, EDDIE C. BROWN, ROBERT S. HILLMAN, DOUGLAS A. McGREGOR, ARTHUR S. MEHLMAN, FRED N. PRATT, JR., and MUNICIPAL MORTGAGE & EQUITY, LLC,

Defendants.

Civil Action No. 1:08-cv-00980-RMB

JULES ROTHAS, Individually and On Behalf Of All Others Similarly Situated,

Plaintiff,

vs.

MICHAEL L. FALCONE, WILLIAM S. HARRISON, MARK K. JOSEPH, MELANIE M. LUNDQUIST, DAVID B. KAY, and MUNICIPAL MORTGAGE & EQUITY, LLC,

Defendants.

Civil Action No. 1:08-cv-01120-RMB

[Captions continued on the following pages.]

**MOTION OF THE FAFN/SLATER GROUP FOR CONSOLIDATION, APPOINTMENT AS LEAD PLAINTIFF AND CONCOMITANT SELECTION OF LEAD COUNSEL**

ALEX D'ANGELO, Individually and On  
Behalf OF All Others Similarly Situated,

Plaintiff,

vs.

EARL W. COLE, III, MICHAEL L.  
FALCONE, WILLIAM S. HARRISON,  
MARK K. JOSEPH, MELANIE M.  
LUNDQUIST, GARY A. MENTESANA,  
ROBERT J. BANKS, CHARLES C. BAUM,  
RICHARD O. BERNDT, EDDIE C. BROWN,  
ROBERT S. HILLMAN, DOUGLAS A.  
McGREGOR, CHARLES M. PINKNEY,  
ARTHUR S. MEHLMAN, FRED N. PRATT,  
JR., and MUNICIPAL MORTGAGE &  
EQUITY, LLC,

Defendants.

Civil Action No. 1:08-cv-01331-RMB

JUDITH GREENBERG, Individually and On  
Behalf OF All Others Similarly Situated,

Plaintiff,

vs.

EARL W. COLE, III, MICHAEL L.  
FALCONE, WILLIAM S. HARRISON,  
MARK K. JOSEPH, MELANIE M.  
LUNDQUIST, GARY A. MENTESANA,  
ROBERT J. BANKS, CHARLES C. BAUM,  
RICHARD O. BERNDT, EDDIE C. BROWN,  
ROBERT S. HILLMAN, DOUGLAS A.  
McGREGOR, BARBARA C. LUCAS,  
ANGELA A. BARONE, ARTHUR S.  
MEHLMAN, FRED N. PRATT, JR., and  
MUNICIPAL MORTGAGE & EQUITY,  
LLC,

Defendants.

Civil Action No. 1:08-cv-02005-MGC

[Captions continued on the following page.]

<p>NAOMI RAPAHEL, Individually and On Behalf OF All Others Similarly Situated,</p> <p style="text-align: right;">Plaintiff,</p> <p style="text-align: center;">vs.</p> <p>MICHAEL L. FALCONE, WILLIAM S. HARRISON, MELANIE M. LUNDQUIST, CHARLES C. BAUM, EDDIE C. BROWN, ROBERT S. HILLMAN, ARTHUR S. MEHLMAN, FRED N. PRATT, JR., and MUNICIPAL MORTGAGE &amp; EQUITY, LLC,</p> <p style="text-align: right;">Defendants.</p>	<p>Civil Action No. 1:08-cv-02190-RMB</p>
<p>ARNOLD J. ROSS, Individually and On Behalf OF All Others Similarly Situated,</p> <p style="text-align: right;">Plaintiff,</p> <p style="text-align: center;">vs.</p> <p>EARL W. COLE, III, MICHAEL L. FALCONE, WILLIAM S. HARRISON, MARK K. JOSEPH, and MUNICIPAL MORTGAGE &amp; EQUITY, LLC,</p> <p style="text-align: right;">Defendants.</p>	<p>Civil Action No. 1:08-cv-02199-RMB</p>

The FAFN/Slater Group, (the "Proposed Lead Plaintiff") hereby moves this Court pursuant to Section 21D of the Securities Exchange Act of 1934, as amended by the Private Securities Litigation Reform Act of 1995 for an Order that:

- (a) Consolidates the above-captioned actions;
- (b) Appoints the FAFN/Slater Group as Lead Plaintiff for the above-captioned related actions; and
- (c) Approves Lead Plaintiff's concomitant selection of Wolf Haldenstein Adler Freeman & Herz LLP as Lead Counsel for the Class.

This Motion of the FAFN/Slater Group for Consolidation, Appointment as Lead Plaintiff and Concomitant Selection of Lead Counsel is supported by the accompanying Memorandum of Law, the accompanying Declarations of Messrs. Thomas H. Burt, Esq., George Gay and Ken Slater and the exhibits annexed thereto, all of the prior pleadings and proceedings, and such other written and/or oral argument, as may be presented to the Court.

Dated: March 31, 2008

Respectfully submitted,

**WOLF HALDENSTEIN ADLER  
FREEMAN & HERZ LLP**

/s/ Thomas H. Burt  
Gregory M. Nespole, Esq.  
Thomas H. Burt, Esq. (TB 7601)  
George T. Peters, Esq.  
270 Madison Avenue  
New York, NY 10016  
Telephone: (212) 545-4600  
Facsimile: (212) 545-4653

## EXHIBIT A

**UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK**

JOSEPH S. GELMIS, Individually and On Behalf Of All Others Similarly Situated,

Plaintiff,

vs.

EARL W. COLE, III, MICHAEL L. FALCONE, WILLIAM S. HARRISON, MARK K. JOSEPH, MELANIE M. LUNDQUIST, GARY A. MENTESANA, ROBERT J. BANKS, CHARLES C. BAUM, RICHARD O. BERNDT, EDDIE C. BROWN, ROBERT S. HILLMAN, DOUGLAS A. McGREGOR, ARTHUR S. MEHLMAN, FRED N. PRATT, JR., and MUNICIPAL MORTGAGE & EQUITY, LLC,

Defendants.

Civil Action No. 1:08-cv-00980-RMB

JULES ROTHAS, Individually and On Behalf Of All Others Similarly Situated,

Plaintiff,

vs.

MICHAEL L. FALCONE, WILLIAM S. HARRISON, MARK K. JOSEPH, MELANIE M. LUNDQUIST, DAVID B. KAY, and MUNICIPAL MORTGAGE & EQUITY, LLC,

Defendants.

Civil Action No. 1:08-cv-01120-RMB

[Captions continued on the following pages.]

**[PROPOSED] ORDER**

ALEX D'ANGELO, Individually and On Behalf OF All Others Similarly Situated,

Plaintiff,

vs.

EARL W. COLE, III, MICHAEL L. FALCONE, WILLIAM S. HARRISON, MARK K. JOSEPH, MELANIE M. LUNDQUIST, GARY A. MENTESANA, ROBERT J. BANKS, CHARLES C. BAUM, RICHARD O. BERNDT, EDDIE C. BROWN, ROBERT S. HILLMAN, DOUGLAS A. McGREGOR, CHARLES M. PINKNEY, ARTHUR S. MEHLMAN, FRED N. PRATT, JR., and MUNICIPAL MORTGAGE & EQUITY, LLC,

Defendants.

Civil Action No. 1:08-cv-01331-RMB

JUDITH GREENBERG, Individually and On Behalf OF All Others Similarly Situated,

Plaintiff,

vs.

EARL W. COLE, III, MICHAEL L. FALCONE, WILLIAM S. HARRISON, MARK K. JOSEPH, MELANIE M. LUNDQUIST, GARY A. MENTESANA, ROBERT J. BANKS, CHARLES C. BAUM, RICHARD O. BERNDT, EDDIE C. BROWN, ROBERT S. HILLMAN, DOUGLAS A. McGREGOR, BARBARA C. LUCAS, ANGELA A. BARONE, ARTHUR S. MEHLMAN, FRED N. PRATT, JR., and MUNICIPAL MORTGAGE & EQUITY, LLC,

Defendants.

Civil Action No. 1:08-cv-02005-MGC

[Captions continued on the following page.]

NAOMI RAPAHEL, Individually and On Behalf OF All Others Similarly Situated,

Plaintiff,

vs.

MICHAEL L. FALCONE, WILLIAM S. HARRISON, MELANIE M. LUNDQUIST, CHARLES C. BAUM, EDDIE C. BROWN, ROBERT S. HILLMAN, ARTHUR S. MEHLMAN, FRED N. PRATT, JR., and MUNICIPAL MORTGAGE & EQUITY, LLC,

Defendants.

Civil Action No. 1:08-cv-02190-RMB

ARNOLD J. ROSS, Individually and On Behalf OF All Others Similarly Situated,

Plaintiff,

vs.

EARL W. COLE, III, MICHAEL L. FALCONE, WILLIAM S. HARRISON, MARK K. JOSEPH, and MUNICIPAL MORTGAGE & EQUITY, LLC,

Defendants.

Civil Action No. 1:08-cv-02199-RMB

Having considered the Motion of the FAFN/Slater Group for Consolidation, Appointment as Lead Plaintiff and Concomitant Selection of Lead Counsel, the accompanying Memorandum of Law and the Declarations of Messrs. Thomas H. Burt, Esq, Ken Slater and George Gay, in support thereof, and good cause appearing therefore:

**CONSOLIDATION**

1. The actions (as defined in the accompanying Memorandum of Law) and any other actions are hereby consolidated into one action (hereinafter, the "Consolidated Action") for all purposes, pursuant to Federal Rules of Civil Procedure 42. This Order (the "Order") shall apply as specified to the Consolidated Action and to each case that relates to the same subject matter that is subsequently filed in this Court or transferred to this Court and is consolidated with the Consolidated Action.

**MASTER DOCKET AND MASTER FILES**

2. A Master File is hereby established for this proceeding. The Master File shall be designated: 1:08-cv-00980-RMB. The Clerk of the Court shall file all pleadings in the Master File and note such filings on the Master Docket.

3. An original of this Order shall be filed by the Clerk of the Court in the Master File.

4. The Clerk of the Court shall mail a copy of this Order to counsel of record in the Consolidated Action.

**CAPTION OF THE CASE**

5. Every pleading filed in the Consolidated Action shall have the following caption:

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IN RE MUNICIPAL MORTGAGE & EQUITY, LLC : SECURITIES LITIGATION	: 1:08-cv-00980-RMB
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**NEWLY-FILED OR TRANSFERRED ACTIONS**

6. This Court requests the assistance of counsel in calling to the attention of the Clerk of this Court the filing or transfer of any case that might properly be consolidated as part of the Consolidated Action.

7. When a case arises out of the same subject matter of the Consolidated Action is hereinafter filed in this Court or transferred from another Court, the Clerk of this Court shall:

- a. File a copy of this Order in the separate file for such action;
- b. Notify by mail or electronic means a copy of this Order to the attorneys for the plaintiff(s) in the newly-filed or transferred case and to any new defendant(s) in the newly-filed or transferred case; and
- c. Make the appropriate entry in the Master Docket for the Consolidated Action.

8. Each new case that arises out of the subject matter of the Consolidated Action which is filed in this Court or transferred to this Court, shall be consolidated with the Consolidated Action and this Order shall apply thereto, unless a party objects to consolidation, as provided for herein, or any provision of this Order, within ten (10) days after the date upon which a copy of this Order is served on counsel for such party, by filing an application for relief and this Court deems it appropriate to grant such application. Nothing in the foregoing shall be construed as a waiver of the defendants' right to object to consolidation of any subsequently-filed or transferred related action.

**APPOINTMENT OF LEAD PLAINTIFF AND LEAD PLAINTIFF'S  
SELECTION OF LEAD COUNSEL**

9. The FAFN/Slater Group is hereby appointed Lead Plaintiff pursuant to 15 U.S.C. § 78u-4(a)(3)(B).

10. The law firm of Wolf Haldenstein Adler Freeman & Herz LLP is hereby appointed Lead Counsel.

11. With the approval of the Court, Lead Counsel shall assume and exercise the following powers and responsibilities:

- a. To coordinate the briefing and argument of motions;
- b. To coordinate the conduct of written discovery proceedings;
- c. To coordinate the examination of witnesses in depositions;
- d. To coordinate the selection of counsel to act as spokesperson at pre-trial conferences;
- e. To call meetings of the plaintiffs' counsel as they deem necessary and appropriate from time to time;
- f. To conduct all settlement negotiations with counsel for the defendants;
- g. To coordinate and direct the preparation for trial, and the trial of this matter and to delegate work responsibilities to selected counsel as may be required;
- h. To receive orders, notices, correspondence and telephone calls from the Court on behalf of all plaintiffs, and to transmit copies of such telephone calls to plaintiffs' counsel; and
- i. To supervise any other matters concerning the prosecution or resolution of the Consolidated Actions.

12. With respect to scheduling and/or procedural matters, defendants' counsel may rely upon all agreements with Lead Counsel.

13. No pleadings or other papers shall be filed or discovery conducted by plaintiffs' counsel except as directed or undertaken by Lead Counsel.

14. Counsel in any related action that is consolidated with the Consolidated Action shall be bound by this organizational structure of plaintiffs' counsel.

**SERVICE OF PLEADINGS AND OTHER PARTIES**

15. Service by the defendants on plaintiffs of any papers shall be deemed to be complete for all purposes when a copy is served on Lead Counsel.

**IT IS SO ORDERED.**

DATED: \_\_\_\_\_

\_\_\_\_\_  
U.S.D.J.

**UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK**

JOSEPH S. GELMIS, Individually and On Behalf Of All Others Similarly Situated,

Plaintiff,

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Defendants.

Civil Action No. 1:08-cv-00980-RMB

JULES ROTHAS, Individually and On Behalf Of All Others Similarly Situated,

Plaintiff,

vs.

MICHAEL L. FALCONE, WILLIAM S. HARRISON, MARK K. JOSEPH, MELANIE M. LUNDQUIST, DAVID B. KAY, and MUNICIPAL MORTGAGE & EQUITY, LLC,

Defendants.

Civil Action No. 1:08-cv-01120-RMB

[Captions continued on the following pages.]

**DECLARATION OF SERVICE**

ALEX D'ANGELO, Individually and On Behalf Of All Others Similarly Situated,

Plaintiff,

vs.

EARL W. COLE, III, MICHAEL L. FALCONE, WILLIAM S. HARRISON, MARK K. JOSEPH, MELANIE M. LUNDQUIST, GARY A. MENTESANA, ROBERT J. BANKS, CHARLES C. BAUM, RICHARD O. BERNDT, EDDIE C. BROWN, ROBERT S. HILLMAN, DOUGLAS A. McGREGOR, CHARLES M. PINKNEY, ARTHUR S. MEHLMAN, FRED N. PRATT, JR., and MUNICIPAL MORTGAGE & EQUITY, LLC,

Defendants.

JUDITH GREENBERG, Individually and On Behalf Of All Others Similarly Situated,

Plaintiff,

vs.

EARL W. COLE, III, MICHAEL L. FALCONE, WILLIAM S. HARRISON, MARK K. JOSEPH, MELANIE M. LUNDQUIST, GARY A. MENTESANA, ROBERT J. BANKS, CHARLES C. BAUM, RICHARD O. BERNDT, EDDIE C. BROWN, ROBERT S. HILLMAN, DOUGLAS A. McGREGOR, BARBARA C. LUCAS, ANGELA A. BARONE, ARTHUR S. MEHLMAN, FRED N. PRATT, JR., and MUNICIPAL MORTGAGE & EQUITY, LLC,

Defendants.

Civil Action No. 1:08-cv-01331-RMB

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ARNOLD J. ROSS, Individually and On Behalf OF All Others Similarly Situated,

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vs.

EARL W. COLE, III, MICHAEL L. FALCONE, WILLIAM S. HARRISON, MARK K. JOSEPH, and MUNICIPAL MORTGAGE & EQUITY, LLC,

Defendants.

Civil Action No. 1:08-cv-02190-RMB

Civil Action No. 1:08-cv-02199-RMB

Thomas H. Burt, Esq., an attorney admitted to practice law before this Court and counsel to Proposed Lead Plaintiff, the FAFN/Slater Group, hereby declares that on March 31, 2008, I caused to be served to counsel, by electronic means or regular mail, the following documents:

1. Motion of the FAFN/Slater Group for Consolidation, Appointment as Lead Plaintiff and the Concomitant Selection of Lead Counsel (the "Motion"), with a [Proposed] Order, annexed thereto as Exhibit A;
2. Memorandum of Law in Support of the Motion; and

3. Declarations of Messrs. Thomas H. Burt, Esq., Ken Slater and George Gay in Support of the Motion, together with Exhibits on all parties.

Dated: March 31, 2008

Respectfully Submitted,

/s/ Thomas H. Burt  
Thomas H. Burt, Esq